

In April 2012, the University of South Carolina was involved in a major infractions case which involved a local hotel. Several student-athletes were living in a hotel at a discounted rate for approximately one and a half years. The hotel provided the student-athletes with extra benefits in the form of reduced room rates (i.e., reduced daily rate) and deferred payment plans for rent which constituted an impermissible loan. The reduced rates and deferred payment plan were not available to the general student body for off-campus housing. The estimated value of the extra benefits was \$50,886.80.

Consequences for Violations

MSU is responsible for the actions of its boosters. If a booster provides an impermissible benefit to a student-athlete or their family a violation will occur and MSU will be subject to penalties from the NCAA and Big Ten Conference. Violations involving student-athletes can jeopardize their eligibility. In addition boosters could be dissociated from the University as a result of their involvement in the violation.

If you have any questions regarding this information please contact MSU's Office of Compliance Services at (517) 432-5510.

**Office of Compliance Services
Michigan State University
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East Lansing, MI 48824**

MICHIGAN STATE UNIVERSITY

Information for Local Hotels



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As part of Michigan State University's ongoing athletics education efforts, we want to continue to educate the Spartan community about the numerous NCAA rules and regulations affecting the eligibility of our student-athletes. It is important to note that business owners and businesses, including hotels, can be considered a booster of MSU's athletics program. Members of the community must be aware that their actions impact our student-athletes' eligibility.

Key Point to Remember

- Prospective and current student-athletes and their friends and families may NOT receive discounts or free items from a commercial entity unless the benefit is available to the general public or student body.

Examples of Issues and Violations Involving Hotels

Here are some examples of impermissible benefits and/or arrangements involving local hotels.

- Prospective and current student-athletes and their friends and families may NOT receive preferential treatment, benefits or services because of the individual's athletics reputation or skill or pay-back potential as a professional athlete.
- Prospective and current student-athletes may NOT receive a special discount, payment arrangement or credit on a purchase or service from a hotel.
- Hotels may NOT provide prospective and current student-athletes with professional services (for which a fee would normally be charged) without charge or at a reduced cost while charging the general student body the normal rate.
- Prospective and current student-athletes, their relatives or friends may NOT receive benefits (e.g., meals, entertainment, etc.) or

because the individual is an athlete if the benefit is not generally available to the general public or the student body.

- Hotels may not allow a prospective or current student-athlete to have a line of credit if that option is not available to the general public or student body in general.
- It is not permissible for current student-athletes to receive a special discount, payment arrangement or credit on a purchase or service in exchange for the student-athlete's autograph, sports memorabilia, tickets to MSU athletics event, etc.
- It is not permissible for current student-athletes to be compensated for their autographs.
- It is not permissible for a student-athlete to promote a commercial entity via social networking websites.
- Examples of impermissible benefits include, but are not limited to, the following:
 - ⊗ Free or reduced-cost lodging. Prospective and current student athlete's and their families and friends are expected to pay the established going rate for their lodging.
 - ⊗ Free or reduced-cost meals.
 - ⊗ Free or reduced-cost incidental expenses (movies, local and long distance telephone calls, internet access, drinks/snacks, room service, valet/self-park parking).

Promotional Activities

- Per NCAA legislation, student-athletes may only participate in institutional, charitable, educational or nonprofit promotional activities.
- Local businesses may not compensate a student-athlete or use their name (e.g., autographs, signed paraphernalia, etc.) or

pictures to advertise, recommend or promote the sale or use of a commercial product or service of any kind.

- Student-athletes may not endorse a commercial product or service (e.g., local business, restaurant, etc.) through their use of such product or service.
- Local businesses may not use student-athletes' names or pictures in a 'name-the-player' contest or other promotional contests for the purpose of promoting the business.
- If a student-athlete's name or picture appears on commercial items, or is used to promote a commercial product without the student-athlete's knowledge or permission, student-athletes and MSU are required to take steps to stop such an activity in order to retain the student-athlete's eligibility.

Employment of Student-Athletes

Employment of student-athletes is permissible, provided the following:

- The student-athlete is only paid for work actually performed.
- The student-athlete is paid at the going rate in that locale for similar services.
- The student-athlete may not be compensated based on the value or utility that he or she may have for an employer because of any publicity, reputation, fame or personal following that he or she may have obtained because of his or her athletics ability or status as an MSU student-athlete.
- Student-athletes may not be provided with any benefits not provided to other employees
- Student-athletes must register all jobs during the academic year and vacation periods with the Office of Compliance Services.

Recent NCAA Violations